

CLAIMS

What is claimed is:

1. A method of transferring wealth, comprising:
  - causing a transferee to purchase an insurance policy from an insurance seller on the life of an insured individual, said policy comprising a cash value and a term benefit;
  - dividing ownership of said policy between said transferee and an entity owned by a transferor, wherein said transferee owns said term benefit and said entity owns said cash value in said divided ownership;
  - causing said entity to transfer wealth as premiums for said insurance policy to said insurance seller;
  - appraising a present value of said cash value, said appraising being based on a mortality risk of said insured individual and a value of said cash value during each year of a projected life of said insured individual; and
  - causing said cash value to be sold to said transferee, a sale price being based on said appraising.
2. The method according to claim 1, further comprising:
  - causing said transferee to notify said entity of an intention to maintain said divided ownership until death of said insured individual.
3. The method according to claim 1, further comprising:
  - causing said transferee to terminate said policy after sale of said cash value, thereby transferring a cash value to said transferee.
4. The method according to claim 1, wherein said transferee is a trust.
5. The method according to claim 1, wherein said entity is a corporation.

6. The method according to claim 1, wherein said entity is a limited liability company.
7. A system of transferring wealth, comprising:
  - means for causing a transferee to purchase an insurance policy from an insurance seller on the life of an insured individual, said policy comprising a cash value and a term benefit;
  - means for dividing ownership of said policy between said transferee and an entity owned by a transferor, wherein said transferee owns said term benefit and said entity owns said cash value in said divided ownership;
  - means for causing said entity to transfer wealth as premiums for said insurance policy to said insurance seller;
  - means for appraising a present value of said cash value, said appraising being based on a mortality risk of said insured individual and a value of said cash value during each year of a projected life of said insured individual; and
  - means for causing said cash value to be sold to said transferee, a sale price being based on said appraising.
8. The system according to claim 7, further comprising:
  - means for causing said transferee to notify said entity of an intention to maintain said divided ownership until death of said insured individual.
9. The system according to claim 7, further comprising:
  - means for causing said transferee to terminate said policy after sale of said cash value, thereby transferring a cash value to said transferee.
10. The system according to claim 7, wherein said transferee is a trust.

11. The system according to claim 7, wherein said entity is a corporation.
12. The system according to claim 7, wherein said entity is a limited liability company.
13. A program product, comprising machine readable program code for causing a machine to perform the following method steps:
  - causing a transferee to purchase an insurance policy from an insurance seller on the life of an insured individual, said policy comprising a cash value and a term benefit;
  - dividing ownership of said policy between said transferee and an entity owned by a transferor, wherein said transferee owns said term benefit and said entity owns said cash value in said divided ownership;
  - causing said entity to transfer wealth as premiums for said insurance policy to said insurance seller;
  - appraising a present value of said cash value, said appraising being based on a mortality risk of said insured individual and a value of said cash value during each year of a projected life of said insured individual; and
  - causing said cash value to be sold to said transferee, a sale price being based on said appraising.
14. A method of transferring wealth, comprising:
  - gathering information on the amount of wealth to be transferred;
  - determining the amount of life insurance premium for an insurance policy on the life of an insured individual to be substantially equal to the amount of the wealth to be transferred;
  - appraising a present value of a cash value of the insurance policy, said policy comprising a cash value and a term benefit, where a transferee owns said term benefit

and an entity owns said cash value, said entity being owned by a transferor;

said appraising being based on a mortality risk of said insured individual and a value of said cash value during each year of a projected life of said insured individual so that an appraised value of said cash value is obtained as a basis for a sale price of said cash value, whereby said wealth may be transferred to said transferee as said cash value.

15. A system of transferring wealth, comprising:

means for gathering information on the amount of wealth to be transferred;

means for determining the amount of life insurance premium for an insurance policy on the life of an insured individual to be substantially equal to the amount of the wealth to be transferred;

means for appraising a present value of a cash value of the insurance policy, said policy comprising a cash value and a term benefit, where a transferee owns said term benefit and an entity owns said cash value, said entity being owned by a transferor;

said means for appraising basing an appraisal on a mortality risk of said insured individual and a value of said cash value during each year of a projected life of said insured individual so that an appraised value of said cash value is obtained as a basis for a sale price of said cash value, whereby said wealth may be transferred to said transferee as said cash value.

16. A system of transferring wealth, comprising:

an information gathering computer adapted to gather information on the amount of wealth to be transferred;

a premium determining computer adapted to determine the amount of life insurance premium for an insurance policy on the life of an insured individual to be

substantially equal to the amount of the wealth to be transferred;

an appraisal computer adapted to appraise a present value of a cash value of the insurance policy, said policy comprising a cash value and a term benefit, where a transferee owns said term benefit and an entity owns said cash value, said entity being owned by a transferor;

said appraisal computer adapted to base an appraisal on a mortality risk of said insured individual and a value of said cash value during each year of a projected life of said insured individual so that an appraised value of said cash value is obtained as a basis for a sale price of said cash value, whereby said wealth may be transferred to said transferee as said cash value.